

Senate Bill 57

By: Senators Rahman of the 5th, Karinshak of the 48th, Jones II of the 22nd, Henson of the 41st, Butler of the 55th and others

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia
2 Annotated, relating to the Georgia Student Finance Authority, so as to provide for a grant
3 program to pay tuition and fees of certain students who enroll in a unit of the University
4 System of Georgia where, in exchange for such grant, such students agree to pay a certain
5 percentage of their annual adjusted gross income to the Georgia Student Finance Authority
6 for up to a certain number of years upon the occurrence of certain events; to provide for a
7 short title; to provide for definitions; to provide for related matters; to repeal conflicting laws;
8 and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 **SECTION 1.**

11 Part 3 of Article 7 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated,
12 relating to the Georgia Student Finance Authority, is amended by adding a new subpart to
13 read as follows:

14 "Subpart 12

15 20-3-495.

16 This subpart shall be known and may be cited as the 'Pay Forward, Pay Back Student Grant
17 Act.'

18 20-3-496.

19 As used in this subpart, the term:

20 (1) 'Eligible postsecondary institution' means a unit of the university system that offers
21 associate or baccalaureate degrees.

22 (2) 'Eligible student' means a student who is enrolled at an eligible postsecondary
23 institution and is classified as in-state for tuition purposes pursuant to Code Section
24 20-3-66.

25 (3) 'Recipient' means an eligible student who has been awarded grant assistance pursuant
26 to the provisions of this subpart.

27 20-3-497.

28 (a) The authority is authorized to provide grant assistance to any eligible student upon
29 execution of a contractual agreement in which such student agrees to pay a percentage of
30 his or her future annual adjusted gross income to the authority in accordance with the
31 provisions of this subpart and the rules and regulations of the authority promulgated to
32 implement this subpart. Such grant assistance shall be provided in the amount of full
33 tuition and fees for each academic quarter or academic semester of enrollment.

34 (b) The grant assistance described in subsection (a) of this Code section shall be payable
35 in the name of the eligible student to the eligible postsecondary institution in which he or
36 she is enrolled.

37 (c) The payment of grant assistance under this subpart shall be contingent upon the
38 appropriation of funds by the General Assembly for the purposes of this subpart in annual
39 appropriations Acts of the General Assembly.

40 20-3-498.

41 (a) A recipient shall not be required to pay a certain percentage of his or her annual
42 adjusted gross income until the earliest occurrence of one of the following:

43 (1) Completion of his or her course of study;

44 (2) Graduation from an eligible postsecondary institution; or

45 (3) Passage of two academic quarters or two academic semesters during which the
46 recipient was not enrolled in a postsecondary institution.

47 (b) For each recipient, the authority shall establish the percentage of the annual adjusted
48 gross income which shall be payable pursuant to this subpart and the terms and conditions
49 upon which such payments shall be made; provided, however, that a recipient shall not be
50 required to pay a percentage of his or her annual adjusted gross income for more than ten
51 years.

52 20-3-499.

53 (a) For each fiscal year, the authority shall determine the amount of funds available for
54 grant assistance under this subpart and shall utilize a random selection process for awarding

55 funds, providing each eligible student an equal chance of being selected for such grant
56 assistance.

57 (b) The authority is authorized to prescribe such rules and regulations as may be necessary
58 or convenient for administration of the grant assistance program provided for pursuant to
59 this subpart."

SECTION 2.

61 All laws and parts of laws in conflict with this Act are repealed.